

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2627 - SB 2479**

February 21, 2022

**SUMMARY OF BILL:** Creates a new pathway for a landscape architect to be eligible to receive a certificate of registration (license) at the *Board of Architectural and Engineering Examiners* (Board) discretion so long as the applicant meets certain criteria.

Requires the Board to approve certain post-graduate engineering curriculum, experience, and examinations as satisfactory for applicants applying for a certificate of registration as an engineer or engineer intern.

**FISCAL IMPACT:**

**Increase State Revenue –**

**Exceeds \$4,900/FY22-23/Board of Architectural and Engineering Examiners**

**Exceeds \$4,900/FY23-24/Board of Architectural and Engineering Examiners**

**Exceeds \$3,500/FY24-25 and Subsequent Years/**

**Board of Architectural and Engineering Examiners**

**Increase State Expenditures –**

**\$1,500/FY22-23/Board of Architectural and Engineering Examiners**

**Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-sufficient over any two-year period. The Board of Architectural and Engineering Examiners had a surplus of \$149,521 in FY19-20, a surplus of \$280,124 in FY20-21, and had a cumulative reserve balance of \$2,610,749 on June 30, 2021.**

**Assumptions:**

- Such applicants would not be registering through examination; therefore, each license will cost \$55 plus an initial registration/biennial renewal fee of \$140.
- According to the Department of Commerce and Insurance (DCI) there are currently 399 active Landscape Architect licenses.
- The exact number of new licensees cannot be reasonably determined; however, it is assumed businesses or individuals will seek licensure for employees or self-licensure for increased business opportunities.
- An increase of at least 10 percent of the current Landscape Architect licensees or 40 (399 x .10) new licensures will occur over the first two years as a result of this legislation.

- The current number of engineer licenses is unknown at this time, for this analysis it is assumed that approximately 10 new engineers will become licensed in the first two years.
- The number of landscape architects and new engineer licenses will remain constant in subsequent years.
- An estimated 50 (40 landscape architect + 10 engineers) new licensures will occur as a result of this legislation.
- Assuming 50 percent become licensed in FY22-23, the increase in state revenue is estimated to exceed \$4,875 [(\$140 + \$55) x 50 x 50%].
- The remaining 50 percent will be licensed in FY23-24; the increase in state revenue is estimated to exceed \$4,875 [(\$140 + \$55) x 50 x 50%].
- In FY24-25 and subsequent years, there will be licensure renewal fee revenue resulting in an increase in state revenue exceeding \$3,500 [(50 licensees x 50.0%) x \$140].
- There will be an increase in state expenditures of \$1,500 for one additional rulemaking hearing for expenditures related to the board attorney and court reporter in FY22-23.
- Based on information provided by the DCI, the Board can accommodate any additional expenditures related to additional applications utilizing existing resources.
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-sufficient over any two-year period. The Board of Architectural and Engineering Examiners had a surplus of \$149,521 in FY19-20, a surplus of \$280,124 in FY20-21, and had a cumulative reserve balance of \$2,610,749 on June 30, 2021.

## **IMPACT TO COMMERCE:**

### **NOT SIGNIFICANT**

#### Assumptions:

- The cost of licensing will be paid primarily by individuals and not businesses; the fiscal impact on business expenditures is estimated to be not significant.
- The increase number of licensees will not have a significant impact to the number of jobs in TN.
- Any increase in business opportunities will be relative to a single business or individual, the overall net impact is not significant to state of local commerce.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

/lm